

Senate File 2064 - Introduced

SENATE FILE 2064

BY DANIELSON

A BILL FOR

1 An Act concerning retirement incentive programs for school
2 district employees.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 279.46, Code 2011, is amended to read as
2 follows:

3 **279.46 Retirement incentives — tax.**

4 The board of directors of a school district may adopt a
5 program for payment of a monetary bonus, continuation of
6 health or medical insurance coverage, or other incentives
7 for encouraging its employees to retire ~~before the normal~~
8 ~~retirement date as defined in chapter 97B.~~ The program is
9 available only to employees who notify the board of directors
10 prior to April 1 of the fiscal year that they intend to
11 retire not later than the start of the next following school
12 calendar. The age, and applicable years of service if any, at
13 which employees shall be designated eligible for the program
14 shall be at the discretion of the board. An employee retiring
15 under this section may apply for a retirement allowance under
16 chapter 97B or chapter 294. The board may include in the
17 district management levy an amount to pay the total estimated
18 accumulated cost to the school district of the health or
19 medical insurance coverage, bonus, or other incentives for
20 employees ~~within the age range of fifty-five to sixty-five~~
21 ~~years of age~~ who retire under this section.

22 EXPLANATION

23 This bill concerns eligibility requirements for retirement
24 incentive programs that a school district board of directors
25 may adopt for its employees. Current law provides that any
26 retirement incentive program shall be limited to encouraging
27 employees to retire before their normal retirement date under
28 the Iowa public employees' retirement system (IPERS) and that
29 the board may include the costs of any retirement incentive
30 program adopted in the district management levy only for those
31 employees from age 55 to 65 who retire. The bill eliminates
32 these specific age and service requirements relative to the
33 retirement incentive program adopted by a school board. The
34 bill also provides that a school board may adopt a years of
35 service requirement for the retirement incentive program it may

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1 offer.